

# United Nations Conference on Trade and Development

## **SEMINAR ON COMMODITY DEPENDENCE AND SUSTAINABLE DEVELOPMENT**

**21 June 2019, Geneva**

### **Commodity Dependence and Inclusive Growth**

by

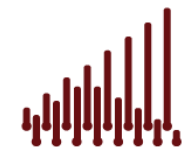
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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

# COMMODITY DEPENDENCE AND INCLUSIVE GROWTH

Some exploratory statistics

Justin van de Ven



# COMMODITY DEPENDENCE AND INCLUSIVE GROWTH

- Inclusive growth often explored using a dashboard of indicators
  - OECD (2018), *Meeting of the OECD Council at Ministerial Level* – consider four main categories:
    1. Growth and ensuring equitable sharing of benefits from growth
    2. Inclusive and well-functioning markets
    3. Equal opportunities and foundations of future prosperity
    4. Governance
- Amazing new opportunities for associated analysis due to increasing data availability
- Exploration of interactions permits a more fine-grained statistical analysis

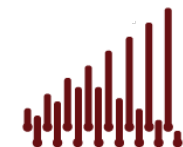


# PRELIMINARY OBSERVATIONS FOR DEVELOPING COUNTRIES

Low Income Economies		Lower-Middle Income Economies		
Afghanistan	Madagascar	Angola	Honduras	Papua New Guinea
Benin	Malawi	Armenia	India	Philippines
Burkina Faso	Mali	Bangladesh	Indonesia	Sao Tome and Principe
Burundi	Mozambique	Bhutan	Jordan	Solomon Islands
Central African Republic	Nepal	Cabo Verde	Kenya	Sri Lanka
Chad	Niger	Cambodia	Kiribati	Sudan
Comoros	Rwanda	Cameroon	Lesotho	Tajikistan
Eritrea	Senegal	Djibouti	Mauritania	Tunisia
Ethiopia	Sierra Leone	Egypt	Mongolia	Ukraine
Gambia	Somalia	El Salvador	Morocco	Uzbekistan
Guinea	Togo	Eswatini	Myanmar	Vanuatu
Guinea-Bissau	Uganda	Georgia	Nicaragua	Yemen
Haiti	Zimbabwe	Ghana	Nigeria	Zambia
Liberia		Guatemala	Pakistan	

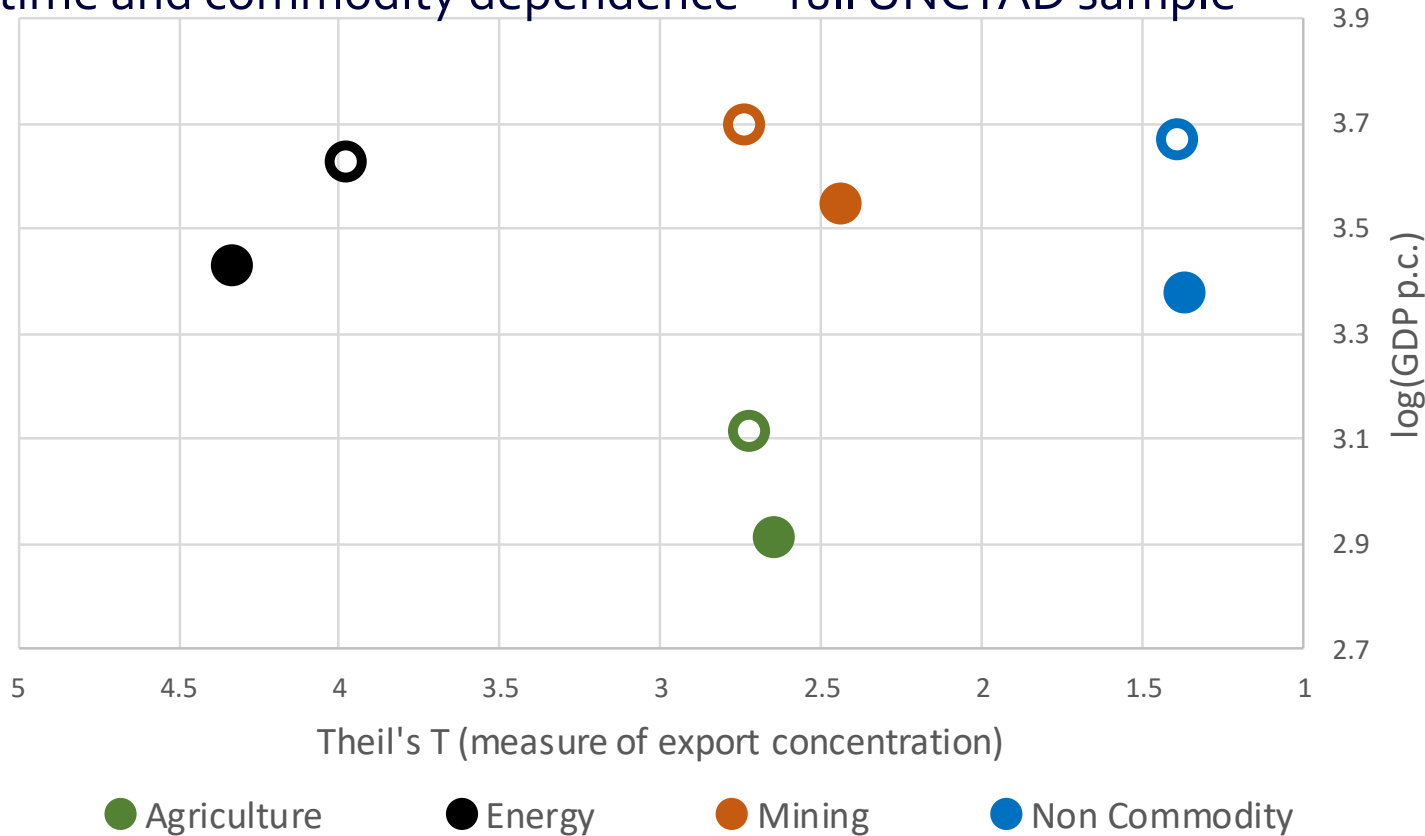
Source: World Bank - country category in 1998 and 2013 (no mobility between groups)

Current analysis uses a database of inclusive growth metrics compiled by the WHO for a study of the economic returns to public health investments



# PRELIMINARY OBSERVATIONS FOR DEVELOPING COUNTRIES

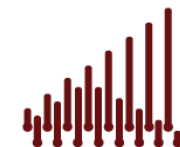
GDP per capita and export concentration, country averages by time and commodity dependence – full UNCTAD sample



Source: Discussant calculations on data supplied by UNCTAD

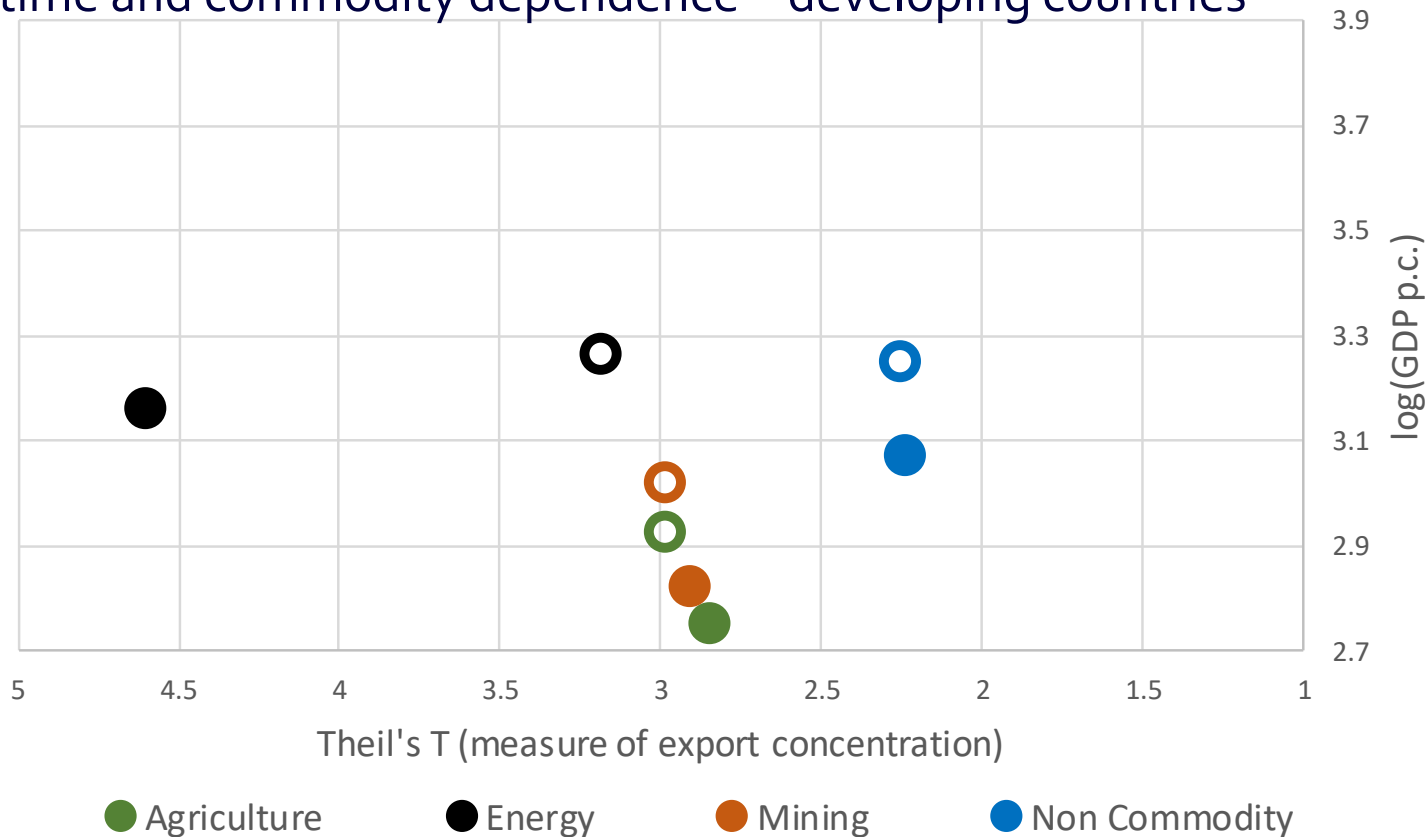
Sample: full population considered in UNCTAD (2019)

Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



# PRELIMINARY OBSERVATIONS FOR DEVELOPING COUNTRIES

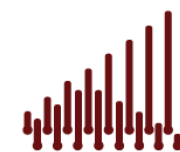
GDP per capita and export concentration, country averages by time and commodity dependence – developing countries



Source: Discussant calculations on data supplied by UNCTAD

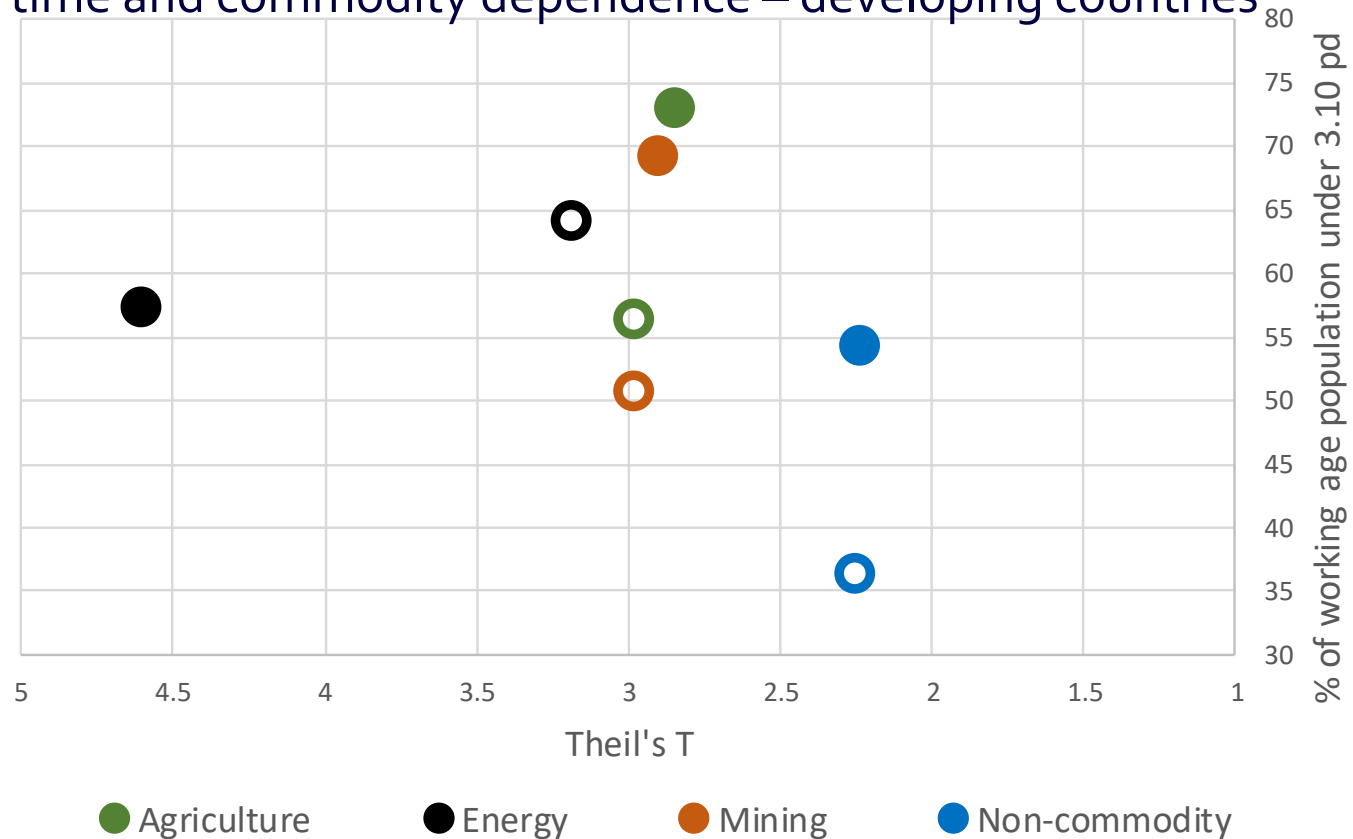
Sample: population considered in UNCTAD (2019) limited to LIEs and MLIEs

Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



# INCLUSIVE GROWTH – EQUITABLE SHARING

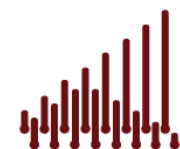
Absolute poverty and export concentration, country averages by time and commodity dependence – developing countries



Source: Discussant calculations on data supplied by UNCTAD and WHO (ILO metrics)

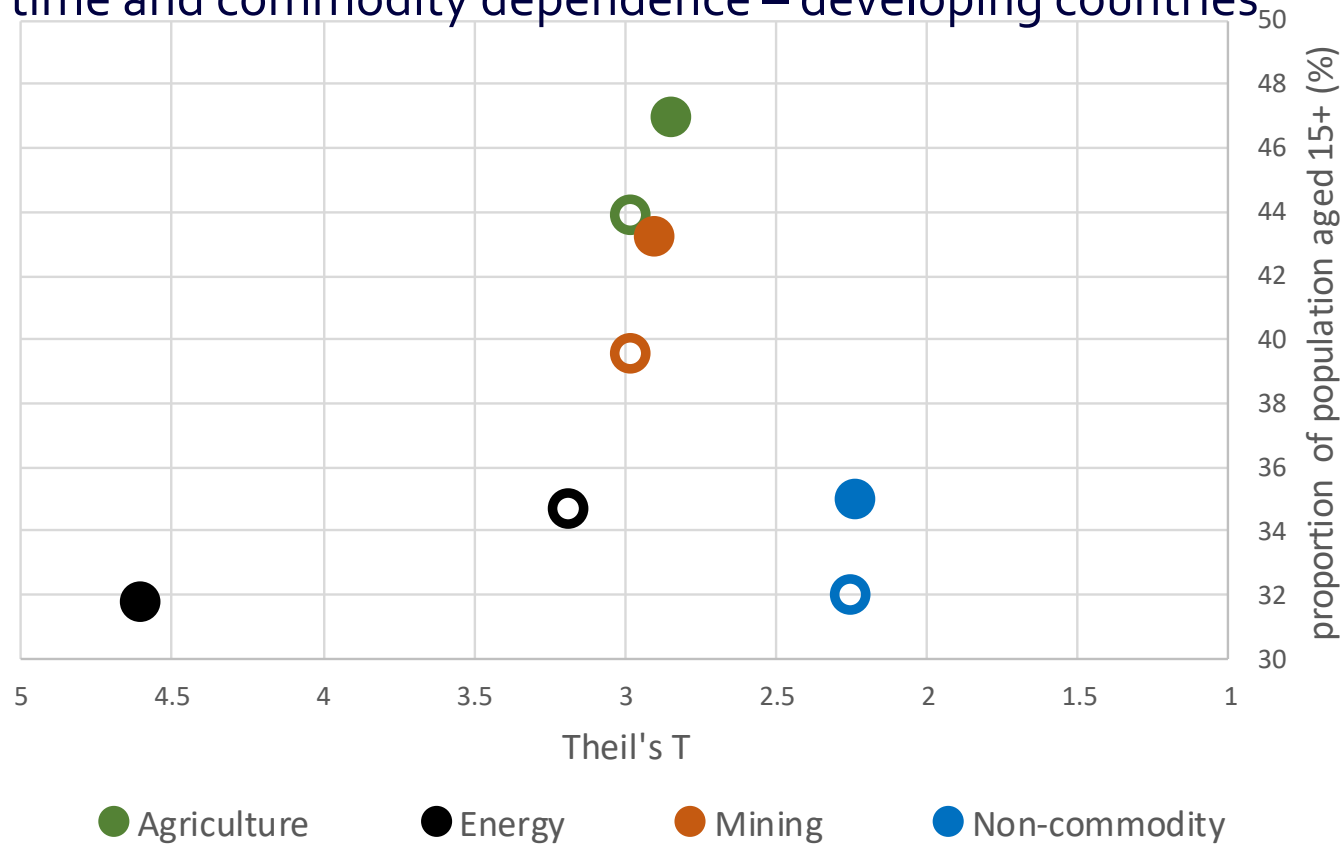
Sample: population considered in UNCTAD (2019) limited to LIEs and MLIEs

Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



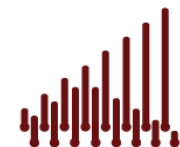
# INCLUSIVE GROWTH – WELL-FUNCTIONING MARKETS

Vulnerable employment and concentration, country averages by time and commodity dependence – developing countries



Vulnerable employment is a composite indicator that captures family and own-account workers

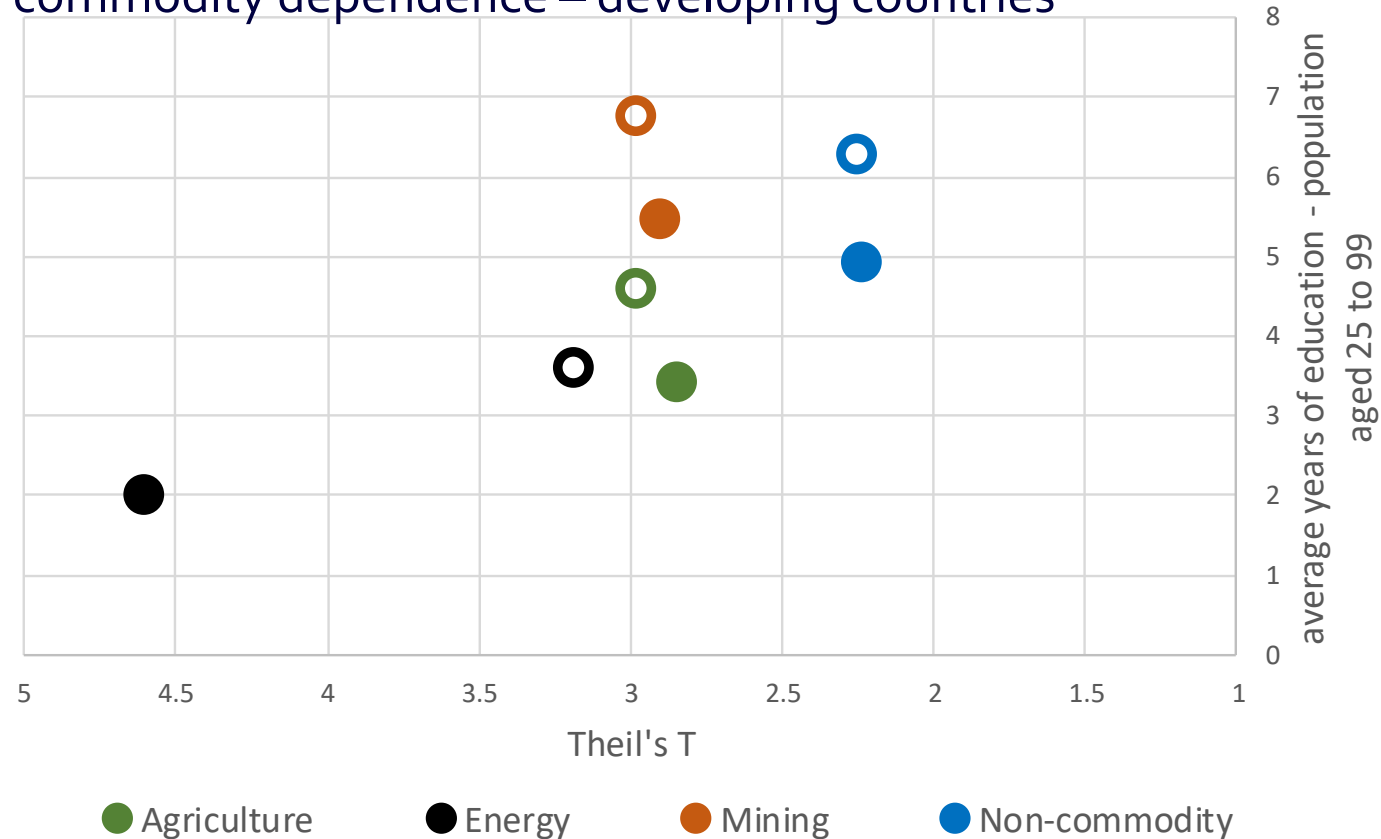
Source: Discussant calculations on data supplied by UNCTAD and WHO (ILO metrics)  
 Sample: population considered in UNCTAD (2019) limited to LIEs and MLIEs  
 Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



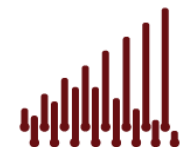


# INCLUSIVE GROWTH – FUTURE PROSPERITY

Education and concentration, country averages by time and commodity dependence – developing countries

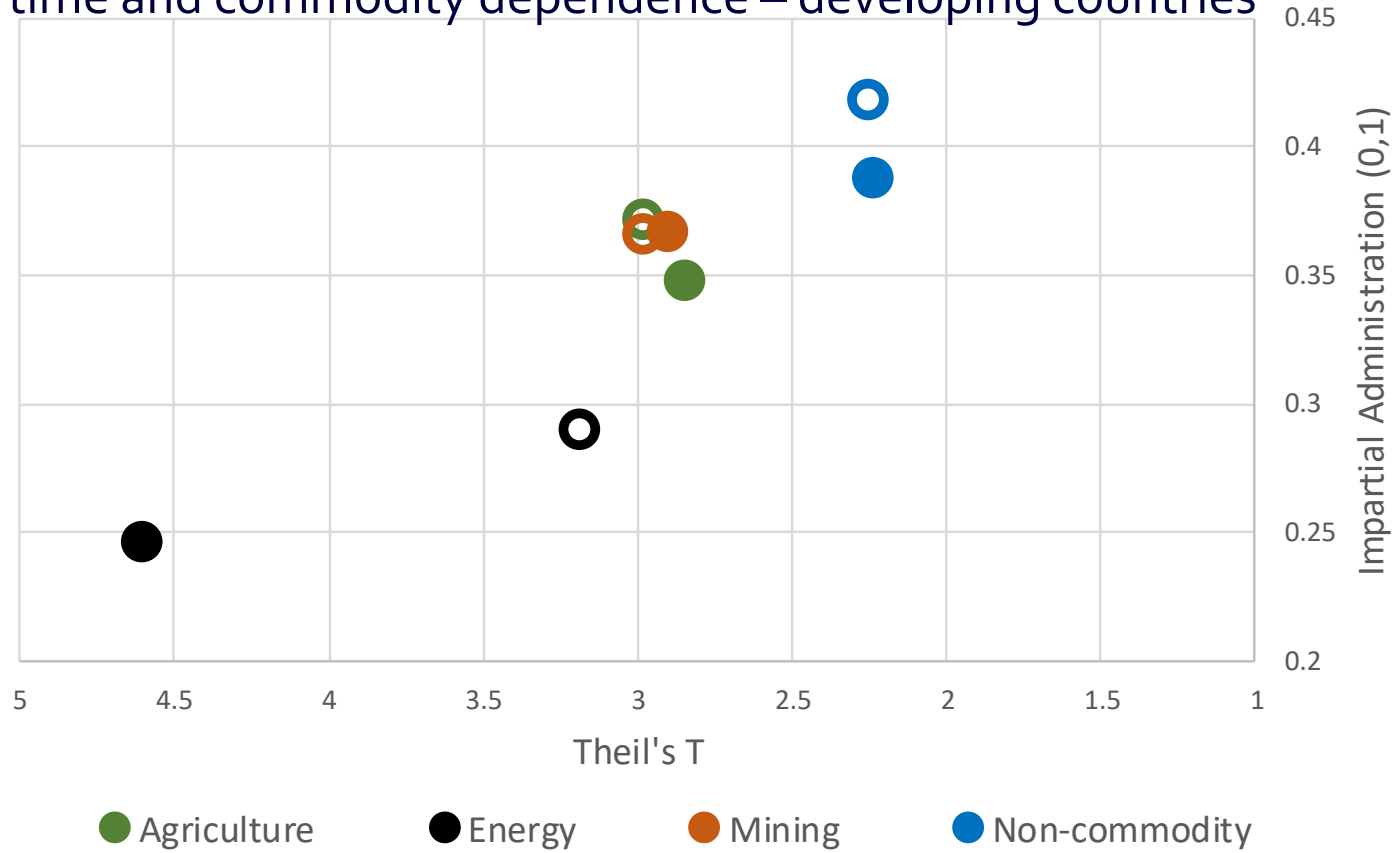


Source: Discussant calculations on data supplied by UNCTAD and WHO (ILO based)  
 Sample: population considered in UNCTAD (2019) limited to LIEs and MLIEs  
 Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



# INCLUSIVE GROWTH – GOVERNANCE

Impartial administration and concentration, country averages by time and commodity dependence – developing countries

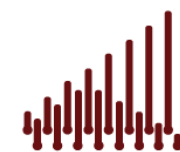


Index constructed by Institute for Democracy and Electoral Assistance, range (0,1) where 1 is high impartiality

Source: Discussant calculations on data supplied by UNCTAD and WHO (IDEA)

Sample: population considered in UNCTAD (2019) limited to LIEs and MLIEs

Notes: full dots report annual averages for 1998-2002 and empty dots for 2013-2017



# SUMMARY

- A great deal of 'action' in the data
- Important systematic variation between commodity dependent subgroups
- Energy producers represent a real outlier over the sample period, with the statistics alluding to likely systemic shifts in the associated economies
  - Catch-up in education and administration impartiality, with rising poverty and vulnerable employment
- Just scratching the surface – further analysis to understand:
  - substantive differences between energy exporters and others
  - similarities between mineral and agricultural exporters
  - more...

